

INFORMATIONAL MEMORANDUM

126-0612015-001

October 27, 2015

To: Tiffany Bohee, Executive Director

From: Chris Kern, City Planning Department
Sally Oerth, OCII Staff

Subject: MBA Proposed New Alternative near Pier 80

You have asked the City Planning Department and the staff of the Office of Community Investment and Infrastructure (OCII) to provide OCII with information pertaining to an alternative site recently proposed by the Mission Bay Alliance (MBA) in a letter from the Brandt Hawley Group to you, dated October 13, 2015 (the "October 13 Letter"). This memorandum provides that information and is based on conversations with staff at the San Francisco Municipal Transportation Agency (SFMTA), OCII's transportation consultants, and other expert consultants who have contributed to the Final SEIR for the proposed Event Center and Mixed-Use Development at Mission Bay Blocks 29-32 (the "Proposed Project").

The October 13 Letter, among other things, proposes a new alternative for OCII's consideration. The October 13 Letter alleges that the Draft SEIR is inadequate because it did not analyze this proposed alternate site. Please note that the Draft SEIR does include a discussion of the Pier 80 or the India Basin Area in Table 7-28 in Chapter 7 in the discussion in Section 7.5.2 of "Alternatives Considered But Rejected". The new alternative proposed in the October 13 Letter appears to consist of approximately six or seven blocks, divided into about 12 lots, located across the street from Pier 80. These parcels are referred to in the October 13 Letter as the "Pier 80" site, but in light of the discussion in the Draft SEIR of an alternative called "Pier 80" that was considered but rejected, to avoid confusion, the MBA proposed alternate site will be referred to in this memo as the "MBA Alternative Site".

The range of alternatives considered in the SEIR includes two alternatives at the project site—the No Project Alternative as required by CEQA Guidelines Section 15126.6(e), and the Reduced Intensity Alternative—and one off-site alternative at Piers 30-32 and Seawall Lot 330. Together, OCII and Planning Department staff determined that the three identified alternatives present a reasonable range of alternatives adequate to inform decision makers.

Staff believes the SEIR presents and analyzes a reasonable range of alternatives, consistent with CEQA Guidelines Section 15126.6(a), which states:

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An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. An EIR need not consider every conceivable alternative to a project. Rather it must consider a reasonable range of potentially feasible alternatives that will foster informed decision making and public participation. An EIR is not required to consider alternatives which are infeasible.

CEQA does not require analysis of “every imaginable alternative” but rather it gives agencies the flexibility to eliminate certain alternatives that either do not reduce environmental impacts or do not further the project’s main objectives. (*Rio Vista Farm Bureau Center v. County of Solana* (1992) 5 Cal.App.4th 351, 376)

A lead agency may eliminate an alternative from detailed consideration in the EIR either because of its “inability to avoid significant environmental impacts” (CEQA Guidelines, § 15126.6, subd. (c)) or because it would not achieve primary project objectives. (See *Sierra Club v. County of Napa* (2004) 121 Cal.App.4th 1490, 1507-1508 [upholding the County’s conclusion that the reduced density alternative was infeasible since it met some but not all of the project objectives].) See Section 13.24.2 of the Responses to Comments for further discussion of the alternatives selection process used in the SEIR. For the reasons discussed below, the MBA Alternative Site does not appear to be a feasible alternative and would not avoid significant impacts of the Proposed Project.

For purposes of alternatives analysis under CEQA, “feasibility” is defined as follows:

Feasibility. Among other factors that may be taken into account when addressing the feasibility of alternatives are site suitability, economic viability, availability of infrastructure, general plan consistency, other plans or regulatory limitations, jurisdictional boundaries (projects with a regionally significant impact should consider the regional context), and whether the proponent can reasonably acquire, control or otherwise have access to the alternative site (or the site is already owned by the proponent).

The parcels located in the area shown on the diagram in the October 13 Letter as the MBA Alternative Site are governed by the provisions of the City Planning Code and are zoned PDR-2. Planning Code Section 210.3 describes PDR-2 as follows:

PDR 2 District: Core Production, Distribution, and Repair. The Intent of this District is to encourage the introduction, intensification, and protection of a wide range of light and contemporary industrial activities. Thus, this District prohibits new housing, large office developments, large-scale retail, and the heaviest of industrial uses, such as incinerators. Generally, all other uses are permitted. The conservation of existing flexible industrial

buildings is also encouraged. This District permits certain non-industrial non-residential uses, including small-scale Retail and Office, Entertainment, certain institutions, and similar uses that would not create conflicts with the primary industrial uses or are compatible with the operational characteristics of businesses in the area. Light Industrial uses in this District may be conducted entirely within an enclosed structure, partly within enclosed structures, or some functions may occur entirely in open areas. These uses may require trucking activity multiple times per day, including trucks with up to 18 wheels or more, and occurring at any time of the day or night. As part of their daily operations, PDR activities in these areas may emit noises, vibrations, odors, and other emissions, as permitted by law. Within the requirements of local, state, and federal health and safety regulations, and within the stipulation of this Code, which may impose additional use size maximums and minimum distance requirements on certain activities, raw materials used for production, manufacturing, repair, storage, research, and distribution may be stored on site and may include chemical, biological, and other hazardous, explosive, or flammable materials. In considering any new land use not contemplated in this District, the Zoning Administrator shall take into account the intent of this District as expressed in this Section and in the General Plan.

While the Event Center component of the Proposed Project may be permitted under the existing zoning, the proposed new office components would not be permitted without a rezoning of the parcels in the MBA Alternative Site to a use district permitting office uses (Planning Code Section 210.3A). Any rezoning would require approval of an ordinance amending the Planning Code. The office component of the Proposed Project would also be required to seek and obtain a new office allocation for such uses in accordance with Proposition M and Planning Code Section 321. These sites would not have the benefit, under Section 321, of any priority treatment in seeking such office allocation that is currently provided under Section 304.11 of the Mission Bay South Redevelopment Plan.

The existing height limits applicable to the parcels in the MBA Alternative Site range from 40 feet to 68 feet. The proposed Event Center, in contrast, would be approximately 135 feet in height and the two proposed office towers of the Proposed Project are 160 feet each. Thus, the development would not be permitted without approval of an ordinance rezoning the height limits in the Planning Code and the Height Maps in order to accommodate the proposed Event Center and office buildings.

The allowable Floor Area Ratio (FAR) on the site ranges from 3:1 to 5:1. As you know, the calculation of floor area for purposes of determining the permitted FAR under the City Planning Code would include almost all gross floor area in the building.

Planning Code Section 102 defines gross floor area in part as:

Floor Area, Gross. In Districts other than C-3, the sum of the gross areas of the several floors of a building or buildings, measured from the exterior faces of exterior walls or from the centerlines of walls separating two buildings. Where columns are outside and separated from an exterior wall (curtain wall) that encloses the building space or are otherwise so arranged that the curtain wall is clearly separate from the structural members, the exterior face of the curtain wall shall be the line of measurement, and the area of the columns themselves at each floor shall also be counted.

Section 102 defines Floor Area Ratio as:

Floor Area Ratio. The ratio of the Gross Floor Area of all the buildings on a lot to the area of the lot. In cases in which portions of the gross floor area of a building project horizontally beyond the lot lines, all such projecting gross floor area shall also be included in determining the floor area ratio.

Without access to lot sizes or more specific information regarding the parcels in the MBA Alternative Site, it is difficult to assess how the potential FAR calculation may compare to the existing FAR limitations on the site. However, it is possible that as a result of these limitations, the site might also require a rezoning of permitted FAR in order to accommodate the Proposed Project.

With the information provided to date by MBA, we have not been able to ascertain with certainty the identity or ownership of all the parcels included in the MBA Alternative Site. However, it appears that the property consists of approximately 12 separate lots, about half of which are owned by 3-4 different private parties. These privately owned parcels are occupied by several active businesses operating out of low-level industrial/warehouse buildings, and are not under the site control of the project sponsor. The other, larger lots are controlled by the City and the Port of San Francisco. The 1399 Marin Street property (at the southeast corner of Marin and Indiana Streets) is owned by the Port, but at less than four acres, is too small to accommodate even just the Event Center portion of the Proposed Project. This site would also be subject to the Proposition B height limit restriction, which would require voter approval to increase the allowable height. Pursuant to an MOU with the Port, the SFMTA currently uses 1399 Marin as a bus acceptance facility, where new vehicles are received and outfitted with necessary equipment (e.g., fare boxes) before they are integrated into SFMTA's fleet. In addition, SFMTA stores vehicles and other equipment at the property, due to the growth of its fleets and overcrowding at its other facilities. Thus, it is not feasible to expect that this property could be put to use for the project.

The 1301 Cesar Chavez property (at the southwest corner of Cesar Chavez and Indiana Streets) is the site of SFMTA's "Islais Creek Motor Coach Facility." SFMTA has been planning this project, and incrementally acquiring the properties at 1301 Cesar Chavez, since 1990. The site is now almost entirely owned by SFMTA, with the exception of two smaller lots under and adjacent to the

I-280 freeway, which are owned by Caltrans. SFMTA is still negotiating with Caltrans for the purchase and lease of these last lots. The \$129 million project is being constructed in two phases: Phase I, which was completed in 2013, consisted of site preparation and construction of a new fuel and wash building, as well as bus parking facilities; Phase II, which recently broke ground at the southeast corner of the site, will include a maintenance and operations building with vehicle hoists to service buses, a brake shop, parts storeroom, administrative offices, and a community meeting space. Once complete, the Islais Creek facility will be among SFMTA's largest facilities, capable of storing and servicing at least 165 buses and facilitating 300 employees, with 24/7 operations. Because the Islais Creek facility will replace older, outdated, or temporary SFMTA facilities, and will accommodate such a significant portion of SFMTA's fleet, SFMTA considers these properties to be "critical" to its mission.

Thus, for the reasons stated above, the MBA Alternative Site does not appear to be a feasible alternative, as it could not be made available for this project within a reasonable period of time, taking into account economic factors, legal factors, and existing uses and development on the site. The Planning Code would need to be amended to allow this use and site assembly would be required. Voter approval of a height increase would be required to use the Port property for this project.

We also note that the location, while adjacent to the Third Street light rail, is in the same general vicinity as the Pier 80 alternative considered but rejected in the Draft SEIR. Both that alternative and the MBA Alternative Site are less well served by Muni and regional transit than the Proposed Project site, located further from locations accessible via bicycle and walk modes than the Proposed Project site, and thus, access to these alternative locations would be primarily via auto. The T Third light rail line is the primary Muni route that would serve the MBA Alternative Site since there are no Muni bus routes on Cesar Chavez Street in the project vicinity. The 19 Polk, with a connection at Evans/Connecticut Streets, runs north to Market Street and connects with the Civic Center BART station, but has limited service during the weekday and Saturday evening and late evening peak periods.

The closest BART station is at 24th Street and Mission Street, approximately two miles to the west. Due to the limited east-west street connections, special event shuttle bus service to/from the BART station would be needed, which would have to follow Cesar Chavez Street, overlapping with project vehicles.

The closest Caltrain station is at 22nd Street, under the I-280 freeway, approximately two thirds of a mile to the north. It offers less train service (i.e., fewer trains stop there) than the Caltrain station at Fourth/King Streets. The 22nd Street station is an intermediate station, as opposed to the line terminal at Fourth/King Streets, so the opportunities for providing special train service are limited. Special event shuttle bus service would have to travel on Pennsylvania and Indiana Streets, competing with project-related traffic.

Primary vehicular access would be via Cesar Chavez Street (from the northwest and west, including those traveling on U.S. 101 from the North Bay and East Bay areas), on Third Street (from the north and south, including those traveling north on U.S. 101 and exiting at the Third Street off-ramp near Candlestick), and on I-280 (mostly from the southwest and south, from the Peninsula and South Bay). The limited number of east-west and north-south streets connecting with the rest of the City and the freeway system would result in longer duration of congestion prior to and after an event.

Because more attendees would be expected to drive to the MBA Alternative Site due to the more limited transit options, the parking demand would be expected to exceed the demand of approximately 3,900 spaces for a sold out game or concert at the Event Center at the Proposed Project's site in Mission Bay. The MBA Alternative Site area lacks major off-street parking facilities capable of accommodating the estimated project demand. In addition to potential project-provided parking (which for purposes of a rough estimate is assumed to be about 900 spaces), only Pier 80 (about 800 spaces) and the 19th Street site at Illinois Street, south of Crane Cove Park (about 250 spaces) have been identified as a potential additional parking locations. These three facilities combined would provide about 1,950 parking spaces, and accommodate about half of the total parking demand. Because the parking demand for an event center at the MBA Alternative Site would be expected to exceed the Proposed Project's parking demand, more than 2,000 additional parking spaces would be needed to accommodate the expected demand at the MBA Alternative Site.

The Pier 80 site would have fewer local impacts during overlapping events with the SF Giants at AT&T Park; however, because more attendees would drive, locating the project at this site would result in increased congestion on regional facilities and Third Street prior to and after an event. Therefore, transportation and associated air quality and noise impacts would likely be the same or potentially more severe than those under the Proposed Project.

In addition, unlike the Proposed Project site, the MBA Alternative Site is located in an Air Pollution Exposure Zone. Consequently, locating the Proposed Project at the MBA Alternative Site would likely result in substantially more severe air quality health risk impacts than the Proposed Project.

The MBA Alternative Site is located directly adjacent to the Islais Creek Channel, and thus would have a greater potential to result in adverse impacts on water quality and aquatic resources due to stormwater runoff into the Bay during both project construction and operation.

Unlike the Proposed Project site, the MBA Alternative Site is located within the 100-year flood zone. As such, locating the Proposed Project at this site would expose people and structures to a greater risk of loss, injury or death due to flooding than the Proposed Project. Moreover, because it is directly adjacent to the Islais Creek Channel and is at a low elevation relative to sea level, the

MBA Alternative Site would be more vulnerable to flooding in the future due to sea level rise and is more vulnerable to tsunami risk than the Proposed Project site.

Thus, for the reasons stated above, the MBA Alternative Site would not avoid significant impacts of the Proposed Project, but would likely result in substantially more severe impacts.

In conclusion, OCII and Planning Department staff believes that the MBA Alternative Site should be rejected from further consideration because the site does not appear to be a feasible alternative and because locating the project at this site would likely result in new and substantially more severe significant impacts than the Proposed Project.